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Attorney General Frosh Announces Settlement with Koons Kia Dealer Will Return Fees Not Included in Advertised Price and Improper Freight Charges to Consumers

BALTIMORE, MD (**April 19, 2022**) – Maryland Attorney General Brian E. Frosh announced today that his Consumer Protection Division has entered into a <u>settlement</u> with Koons of Reisterstown Road, Inc., the owner of the Koons Kia dealership located in Owings Mills, Maryland. The settlement addresses allegations that Koons Kia charged consumers hidden fees not included in its advertised prices, and it collected fees for shipping their vehicles (known as "freight charges") from consumers, although the shipping cost was already included in the advertised price of the vehicle.

The settlement requires Koons Kia to stop charging car purchasers fees, other than taxes or title fees, if the fees were not included in the advertised price for a vehicle. The dealership also agreed not to charge consumers for shipping if such freight charges were already included in any advertised price for the vehicle. The company also agreed to return all fees it collected from consumers other than taxes and title fees that were not included in the advertised price of the vehicle, as well as all amounts it collected for freight charges that were already included in the advertised price of the vehicle.

The Attorney General estimates that, as a result of the settlement, more than \$1 million will be returned to consumers. Koons Kia also agreed to pay the Division \$100,000 for its costs incurred in investigating the matter.

"Car dealers must honor the price they advertise for their vehicles," said Attorney General Frosh. "I am glad that Maryland consumers will receive refunds for the fees that they paid above the advertised price."

Consumers who are owed refunds under the settlement do not need to do anything; they will be contacted directly by the Consumer Protection Division.

Consumers who experience problems with their automobile purchase, or any other consumer transaction, may contact the Attorney General's Office by calling 410-528-8662 or 888-743-

0023, email consumer@oag.state.md.us, or file a complaint online at www.marylandattorneygeneral.gov.

 $\underline{https://www.marylandattorneygeneral.gov/press/2022/041922.pdf}$